



Mortgage Lenders' Forum

JANUARY MASTERCLASS

LONDON, 14 JANUARY 2009

MUNGO DUNNETT
ASSOCIATES



THE JANUARY MASTERCLASS

Best Practice in Arrears Management

Wednesday 14 January 10.30am–4.00pm

The masterclass will be introduced by Mungo Dunnett, the director of Mungo Dunnett Associates, and presented by a number of industry and government experts.

The session will comprise a combination of:

- Presentation
- Discussion
- Case studies

It has not been since the early 1990s that UK mortgage lenders have required to focus urgently on arrears, collections and recovery of redemption shortfalls. However, the global liquidity crisis and its knock-on impact on the UK economy has brought this back to the top of lenders' agenda.

The issue is twofold. First, it is sixteen years since lenders have been fully focused on the skills and processes necessary to manage arrears, collections and shortfalls. In the interim, expertise has been lost or forgotten – and in many instances lenders now find themselves worryingly short of talent and robust structures to deal with these challenges.

Secondly, the rules of the game have changed. There are new regulatory considerations to be accommodated, and a range of new practices for handling mortgage portfolios, understanding arrears behaviour, and handling customers themselves, all of which are at more advanced levels than in the early 1990s. These need to be added to the traditional skills involved in managing defaulting portfolios.

The workshop begins with a summary of the rising threat of arrears, and the typical approach taken by UK lenders. It considers current constraints, both in terms of media

expectation and regulatory requirements. The bulk of the day, however, is devoted to best practice in Arrears Management in the three key skills that matter: depth analytics, process effectiveness and customer engagement.

The workshop will focus on the following key areas:

- Automation and loss of experienced personnel: the erosion of key skills since 1992
- The benefits to lenders of leveraging the data at their disposal to maximise cure, collection and recovery rates
- Depth analysis: identification of default propensity, behavioural segments and early warning signals
- Scenario planning and strategic implications
- How to develop an operating model for customer handling and collections
- Behavioural understanding of the most effective methods of customer engagement
- Agent behaviours and competencies that drive better collections outcomes
- TCF, the media and customer assistance: regulatory and reputational implications, the pre-action protocol, and an overview of government measures to reduce repossessions
- Designing and delivering a viable mortgage rescue scheme

Insider Briefing

A separate slot during the workshop will outline and discuss the trends and developments that have affected the UK mortgage market since November, and their implications for lenders.

The masterclass is taking place in central London at the IoD Hub building (pictured above), a purpose-built meeting and conference centre just next to Liverpool Street station.

The full address is:
IoD Hub
New Broad Street House
35 New Broad Street
London EC2M 1NH

Dress code:
Formal or business casual, as preferred

